



# **American Rescue Plan Act (ARPA)**

## **The City of Taunton Future Fund**

### **Presentation**

# **ARPA FUNDING PRESENTATION**

## **Background and History**

- **On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, was signed into law.**
- **The American Rescue Plan (ARP) Act of 2021 is a \$1.9 trillion economic stimulus bill. Within the ARP, the Coronavirus Local Fiscal Recovery Fund provides \$350 billion for states, municipalities, counties, tribes, and territories, including \$65.1 billion for cities throughout the U.S.**
- **According to those estimates, state government aid for Massachusetts totals just over \$5.2 billion, with \$1.71 billion for the 37 communities that receive direct Community Development Block Grant awards and a total of nearly \$368 million for the state's other 314 municipalities.**
- **The U.S. Treasury Department announced that Taunton will receive \$20,952,932 in federal funding as part of the American Rescue Plan Act. Taunton Public Schools (TPS) will receive \$26,602,613.00. exclusively for TPS expenses. In addition, the Commonwealth of Massachusetts will receive \$5.2 billion in direct funding.**

# ARPA FUNDING PRESENTATION

## Background and History

- In addition, the Treasury will allocate \$65.1 billion of the appropriated funds to counties within the States, with each county receiving a share proportionate to its population over the total population of all counties in the United States. If the county is not a unit of general local government, then the States will distribute the funds directly to the cities and towns within the county.
- The U.S. Treasury also released the Interim Final Rule (IFR) for the program that sets forth eligible uses for funding, which includes responding to acute pandemic-response needs, filling revenue shortfalls, and supporting the communities and populations hardest-hit by COVID-19.



# ARPA FUNDING PRESENTATION

## Background and History

# US Treasury CLFRF Resources

- [Coronavirus State and Local Fiscal Recovery Funds – US Treasury webpage](#)
- [Interim Final Rule](#)
- [FAQs](#)
- [Fact Sheet](#)
- [Quick Reference Guide](#)
- [Allocation for Metropolitan Cities](#)



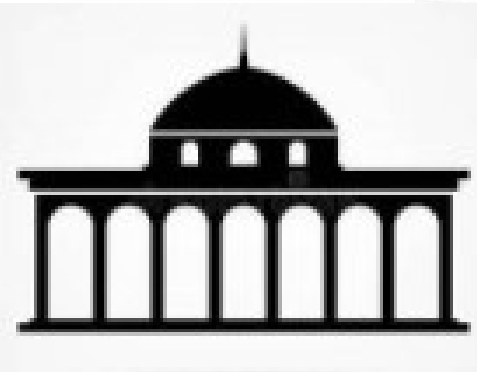
# ARPA eligible Five Core Areas For Deploying funds:

These funds provide substantial flexibility for cities to address impacts and meet the needs of its community



## Support Public Health Response

- Respond to the public health emergency with respect to COVID-19 or its negative economic impacts



## Address Negative Economic Impacts

- Respond to economic harm to workers, families, small businesses, impacted industries, and the public sector



## Replace Lost Revenue

- Provide government services to the extent of the reduction in revenue due to COVID-19



## Water, Sewer, and Broadband Infrastructure

- Make necessary investments to improve access to clean drinking water, invest in wastewater and stormwater infrastructure, and expand broadband access

**ARPA eligible Five Core Areas For Deploying funds:  
These funds provide substantial flexibility for cities to  
address impacts and meet the needs of its community**



### **Premium Pay**

- **Funds may be used for additional support for those who have faced the greatest health risks because of their service in critical infrastructure sectors.**



# ELIGIBLE USES - Support Public Health Response



## Support Public Health Response

- A broad range of services are needed to contain COVID-19 and are eligible uses, including vaccination programs; medical care; testing; contact tracing; support for isolation or quarantine; supports for vulnerable populations to access medical or public health services; public health surveillance (e.g., monitoring case trends, genomic sequencing for variants); enforcement of public health orders; public communication efforts; enhancement to health care capacity, including through alternative care facilities; purchases of personal protective equipment; support for prevention, mitigation, or other services in congregate living facilities (e.g., nursing homes, incarceration settings, homeless shelters, group living facilities) and other key settings like schools; ventilation improvements in congregate settings, health care settings, or other key locations; enhancement of public health data systems; and other public health responses. Capital investments in public facilities to meet pandemic operational needs are also eligible, such as physical plant improvements to public hospitals and health clinics or adaptations to public buildings to implement COVID-19 mitigation tactics.

# ELIGIBLE USES - Support Public Health Response



- Recognizing that the pandemic exacerbated mental health and substance use disorder needs in many communities, eligible public health services include mental health and other behavioral health services, which are a critical component of a holistic public safety approach. This could include:
  1. Mental health services and substance use disorder services, including for individuals experiencing trauma exacerbated by the pandemic, such as:
    - Community-based mental health and substance use disorder programs that deliver evidence-based psychotherapy, crisis support services, medications for opioid use disorder, and/or recovery support
  2. Referrals to trauma recovery services for crime victims.



# ELIGIBLE USES - Address Negative Economic Impacts

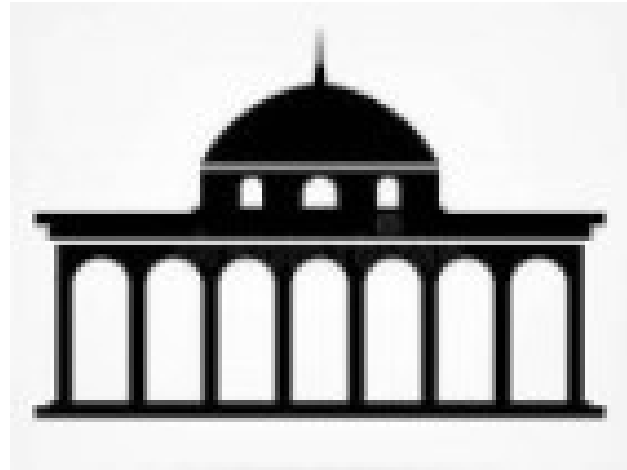


## Address Negative Economic Impacts

Eligible uses in this category include assistance to small businesses and non-profits.

- Loans or grant assistance to implement COVID-19 prevention or mitigation tactics, such as physical changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs;
- Technical assistance, counseling, or other services to assist with business planning needs
- Support to enhance outdoor spaces for COVID-19 mitigation. Many governments saw significantly increased use of parks during the pandemic that resulted in damage or increased maintenance needs. The Interim Final Rule recognizes that “decrease[s to] a state or local government’s ability to effectively administer services” can constitute a negative economic impact of the pandemic.
- Educational services like tutoring or afterschool programs, and supports for students’ social, emotional, and mental health needs.

# ELIGIBLE USES - Address Negative Economic Impacts



- Summer education and enrichment programs.
- Summer camps and recreation
- The Interim Final Rule also discusses eligible uses that provide support for individuals who have experienced a negative economic impact from the COVID19 public health emergency, including uses that provide job training for unemployed individuals. These initiatives also may support small business startups and individuals seeking to start small businesses.

# ELIGIBLE USES - Replace Lost Revenue



## Replace Lost Revenue

- General Revenue includes revenue from taxes, current charges, and miscellaneous general revenue. It excludes refunds and other correcting transactions, proceeds from issuance of debt or the sale of investments, agency or private trust transactions, and revenue generated by utilities and insurance trusts. General revenue also includes intergovernmental transfers between state and local governments, but excludes intergovernmental transfers from the Federal government, including Federal transfers made via a state to a locality pursuant to the CRF or the Fiscal Recovery Funds.
- The city should calculate revenue on an entity-wide basis. This approach minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID- 19 public health emergency on a recipient's revenue, rather than relying on financial reporting prepared by each recipient, which vary in methodology used and which generally aggregates revenue by purpose rather than by source.
- Recipients are permitted to calculate the extent of reduction in revenue as of four points in time: December 31, 2020; December 31, 2021; December 31, 2022; and December 31, 2023. This approach recognizes that some recipients may experience lagged effects of the pandemic on revenues.



# ELIGIBLE USES - Water, Sewer, and Broadband Infrastructure



## Water, Sewer, and Broadband Infrastructure

- Eligible uses of the Funds with the wide range of types or categories of projects that would be eligible to receive financial assistance through the Environmental Protection Agency's Clean Water State Revolving Fund (CWSRF) or Drinking Water State Revolving Fund (DWSRF).
- Under the DWSRF, categories of eligible projects include: treatment, transmission and distribution (including lead service line replacement), source rehabilitation and decontamination, storage, consolidation, and new systems development.
- Under the CWSRF, categories of eligible projects include: construction of publicly owned treatment works, nonpoint source pollution management, national estuary program projects, decentralized wastewater treatment systems, stormwater systems, water conservation, efficiency, and reuse measures, watershed pilot projects, energy efficiency measures for publicly-owned treatment works, water reuse projects, security measures at publicly-owned treatment works, and technical assistance to ensure compliance with the Clean Water Act.

# ELIGIBLE USES - Water, Sewer, and Broadband Infrastructure



- The Interim Final Rule requires eligible projects to reliably deliver minimum speeds of 100 Mbps download and 100 Mbps upload. In cases where it is impracticable due to geography, topography, or financial cost to meet those standards, projects must reliably deliver at least 100 Mbps download speed, at least 20 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.
- Treasury has indicated in its Interim Final Rule that it is important that necessary investments in water, sewer, or broadband infrastructure be carried out in ways that produce high-quality infrastructure, avert disruptive and costly delays, and promote efficiency.

# ELIGIBLE USES - Premium Pay



## Premium Pay

- Essential workers are those in critical infrastructure sectors who regularly perform inperson work, interact with others at work, or physically handle items handled by others.
- In order to be considered essential work, the work could not be performed while teleworking from a residence, and had to involve either regular in-person interactions with patients, the public, or coworkers of the individual that is performing the work, or regular physical handling of items that were handled by, or are to be handled by patients, the public, or coworkers of the individual that is performing the work.
- The definition of premium pay also clarifies that premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency, where those workers have yet to be compensated adequately for work previously performed.



# Some Ineligible Uses

May recipients use funds to pay interest or principal on outstanding debt?

- No. Expenses related to financing, including servicing or redeeming notes, would not address the needs of pandemic response or its negative economic impacts

May recipients use funds to replenish a budget stabilization fund, rainy day fund, or similar reserve account?

- No. Contributions to rainy day funds and similar reserves funds would not address these needs or respond to the COVID-19 public health emergency, but would rather be savings for future spending needs.

May recipients use funds to invest in infrastructure other than water, sewer, and broadband projects (e.g. roads, public facilities)?

- a general infrastructure project typically would not be considered a response to the public health emergency and its negative economic impacts unless the project responds to a specific pandemic-related public health need (e.g., investments in facilities for the delivery of vaccines) or a specific negative economic impact of the pandemic (e.g., affordable housing in a Qualified Census Tract).

# ARPA Eligibility Final Notes

- The City must be able to support their determination for how they have allocated these funds in regards to how the pandemic disproportionately impacted the populations.
- Please note that each request must go through a rigorous approval and reporting process.

## ARPA Reporting Requirements

- Recipients will be required to submit an interim report, quarterly project and expenditure reports, and annual Recovery Plan Performance Reports

## What records must be kept by governments receiving funds?

- Financial records and supporting documents related to the award must be retained for a period of five years after all funds have been expended or returned to Treasury, whichever is later.
- Municipalities and counties report directly to the federal government. The Commonwealth is providing technical assistance, but municipalities and counties remain responsible for understanding and adhering to all reporting requirements.

# Your Opinion

**Your opinion is needed. What do you think is highest priority to the City of Taunton?**

**Take a brief online survey on how you think the City should prioritize ARPA funding @<https://www.surveymonkey.com/r/Z8M5GGQ>**

**The City intends to provide opportunities for community engagement. Check the city website [www.taunton-ma.gov](http://www.taunton-ma.gov), social media outlets, Public access Comcast channel 15 and Verizon channel 22, for dates and times.**

